Fourth Series, Vol.I, No. 4

Monday, March 20, 1967 Phalguna 29, 1888 (Saka)

# LOK SABHA DEBATES

(First Session)



(Vol. I contains Nos. 1 to 10)

LOK SABHA SECRETARIAT NEW DELHI Price : Rs. 2. 00

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## LOK SABHA

Monday, March 20, 1967/Phalguna 29, 1888 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

#### MEMBERS SWORN

Shrimati Gayatri Devi (Jaipur) Shri Brijendra Singh (Bharatpur)

ORAL ANSWERS TO QUESTIONS

Activities of CIA

\*1. Shri George Fernandes: Shri H. N. Mukerjee: Shri Indrajit Gupta: Shri S. M. Banerjee: Shri A. K. Gopalan: Shri Umanath:

Will the Minister of External Affairs be pleased to state:

(a) whether Government are aware of the disclosures now being made in the American Press of the use by CIA of various international agencies to do spying and subversive work on behalf of the United States Government in several parts of the world;

(b) whether Government have got a list of the Organisations in Indiaeither solely of Indian background or branches of international agencies --that are receiving CIA funds through any source to finance their activities; and

(c) whether Government propose to start immediate investigation into the extent of involvement by labour organisations and other public and semipublic associations in India with international bodies that receive funds from the CIA in the United States?

The Minister of External Affairs (Shri M. C. Chagla): (a) to (c). The Government of India have noted reports in the U.S. Press indicating that the Contral Intelligence Agency of the United States has contributed funds to various organisations in the U.S. which in turn have financed persons from other countries to take trips to the U.S.A., to various Conferences and Assemblies and also other activities. These Press disclosures have listed some Indian bodies as being among the beneficiaries of such funds Like most recipients elsewhere, these Indian podicy innocently accepted funds from international U.S. organisations since they were ignorant of the fact that the U.S. organisations concerned had been financed by the CIA.

By their very nature, activities such as those now attributed to the CIA are carried out secretly and such activities are not normally capable of ver ification Government are, however, constantly vigilant to protect the national interest. Whenever possible they take action against subversive and intelligence activities. In the present case, the implications of the revelations in the U.S. are under consideration and if any specific action is called for, it will be taken.

भी वार्ज करनेन्दीयाः भ्या सरकार को इस बात का पतां है कि कांग्रेस कौर कल्वरल फ्रीडम नाम की संस्था को सी० माई०ए० कई फाऊंडेवनों के द्वारा पैसा

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मिसता है सौर यह कांबेस जौर कल्परस फीडम को दो साखाएं एसियम सांस्कृतिक केन्द्र और इंडियन कवेटी फौर कल्परस फीडम यह दोनों संस्थाएं, हिल्युस्तान में काफ़ी प्रसें से काम कर रही हैं झौर वर्ल्ड प्रसेम्बली माफ़ यूथ नाम के संगठन की झोर से सैंट्रल इंटेलिजैस एजेंसी के द्वारा जो पैसा मिलता है वह बर्ल्ड प्रसेम्बली प्राफ़ यूथ की तरफ़ से हिल्युस्तान के दो ऐसे संगठनों को, एक तो दे, वर्ल्ड प्रसेम्बली प्राफ़ यूथ सैंटर ट्रस्ट और दूसरे इंडियन यूथ कांदेस इन को भी मदद दी जाती है?

Shri M. C. Chagla: I have a list here of the Indian institutions which were mentioned in the American press. My hon. friend is right that one of the organisations that was mentioned is receiving funds from the CIA was the Congress for Cultural Freedom and also the International Youth Centre, Delhi and the World Assembly of Youth.

भी मचु लिमये: मध्यक्ष महोदय, मेरा एक प्वाइंट झाफ म्रार्डर है। श्री जार्ज फर-नेन्डीज ने यह नही पूछा कि ग्रमरीका में जो रपट छपी है उसमें इन संस्थाम्रों के नाम हैं या नहीं, उन का प्रश्न है कि क्या भारत सरकार को जानकारी है कि सी॰ ग्रार्ट० ए॰ से उन संस्थाम्रों को पैसा मिलता है? प्रश्नों का सही जवाब देना चाहिए। मैं आहता हूं कि सदन का समय ख़राब न किया आय।

Shri M. C. Chagla: I will correctly answer it. As far as the Government of India is concerned, its attention was drawn to this fact for the first time when the reporters appeared in the American press.

भी मचु लिमचे: प्राप की इंटेनिजैस एवेंसी क्या कर रही है? उस के जगर हम इतना पैसा खर्च करते हैं। Shri Jyetirmoy Basu: What is meant by the word 'innocently'?

Oral Answers

Mr. Speaker: Shri Fernandes might ask his second question.

Shri Krishna Kumar Chatterjee: Sir, you must give opportunity to this side also.

Mr. Speaker: The hon. Member must know that two supplementaries are allowed to the first Member. Then I will look to the other side.

भी आर्ज परनेन्दीकः स्या सी॰ झाई॰ ए॰ की झोर से जिन दो संस्थाधों को, वे वर्ल्ड मसेम्बली श्राफ़ यूथ ट्रस्ट झीर इंडियन यूथ कांग्रेस, जिनको पैसा मिलता है उन दोनों संगठनों से काबीना के दो बड़े मंत्रियों का सम्बन्ध है ? क्या इस की जानकारी सरकार को है ?

Shri S. M. Banerjee: It is a very serious matter. The hon, Member has mentioned the names of two organisations with which it seems two Cabinet Ministers are concerned.

# भी आर्ज फरनेग्डी तः में प्रगर धाप चाहें तो उन के नाम भी दे सकता हूं।

Mr. Speaker: Let the hon. Minister answer it. He can explain his point when he asks a question.

Shri S. M. Banerjee: Sir, I want to rise on a point of order.

Mr. Speaker: Let the Minister answer the question.

Shri M. C. Chagla: I am not aware of any Cabinet Minister or other Minister, or any eminent person, in India who is associated with this association. I have not had a look at the names of the office-bearers of these organisations. As I said, this matter came to our attention only recently and the matter is under our consideration. I can assure this House that if any Cabinet Minister was associated with any of these organisations, he could not have been aware, as Government was not aware, that

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these organisations were being financed by the CIA.

भी मधु लिमये: ग्राव्यक्ष महोदय, मेरा प्याएंट आफ़ आर्डर नियम संख्या 41 के मालहत है।

Shri S. M. Banerjee: I raise a point of order under rule 41. That rule says:

"Subject to the provisions of sub-rule (2), a question may be asked for the purpose of obtaining information on a matter of public importance within the special cognizance of the Minister to whom it is addressed.

(2) The right to ask a question is governed by the following conditions, namely:

(1) it shall not bring in any name or statement not strictly necessary to make the question intelligible."

Member, Shri The hon. George Fernandes, has not mentioned the names but he has said that two Cabinet Ministers were concerned, to which Shri M. C. Chagla has replied that if these Ministers were associated, they were not aware of its consequences and that Government knew about it later on. I would only mention that since two Cabinet Ministers have been mentioned it is but necessary that those names should be given by the hon Minister. The hon. Member has made this definite charge that two Ministers are concerned

Mr. Speaker: Not necessary There is no point of order

Some hon. Members rose-

Mr. Speaker: Since many of the hon. Members are new, it will help me and the reporters as well if they mention their names and States before they speak. Old Members are known, but many new Members are getting up and we are not able to locate their names. So, it will help if they mention their names and States. Shri Hanumanthaiya: That is not the procedure followed anywhere. It is not a public meeting.

Shri Jyotirmoy Basu: Where is the tume to do that?

Mr. Speaker: After the seats are allotted, reporters will be able to locate them, but for two or three days, till seats are allotted, they may not know them. But if they do not want to do that, I might locate them by pointing out my finger but reporters might find it difficult.

श्री मधु लिमये: मैंने नियम सं० 41 बतलाया था....

Shri K. K. Chatterjee: If there 15 always a point of order, there will be no questions.

भी मधु लिमयेः वही तो करना पड़ता है। मंत्री लोगों को सिखाना पड़ता है कि कैसे प्रश्नों का जवाब दिया जाये। ग्राप नियम 41(ए) देख लीजिये:

"Subject to the provisions of sub-rule (2), a question may be asked for the purpose of obtaining information on a matter of public importance within the special cognizance of the Minister to whom it is addressed."

Obtaining information लेकिन कोई जानकारी ! नहीं मिल रही है। कैसे वह में साबित करता हूं। माननीय सदस्य ने पूछा कि क्या काबीना के दो महत्वपण सदस्यों का ऐसी हिन्दुस्तानी संस्थाग्रों से सम्बन्ध है जिन को सी० भाई० ए० के द्वारा पैसा मिलता है। व्लिटज में एक मंत्री का नाम निकला, मौर वह हमारे वर्तमान वित्त मवी हैं। इतनी जानकारी तो रखनी चाहिय और कहना चाहिये कि यह गलत बात है। दूसरे माज सबेरे श्री जार्ज फरनेन्डीज ने एक चिटठी मुझे भेजी है। वह दो बाक्यों की है और इस से बिल्कूल सम्बन्धित है । वह मै पढ़ कर सुनाता Z :

"Dear Madhu, this morning I telephoned the AICC Office to find out who was...." (Interruption). इसी से सम्बन्धित है। मैं जानकारी दे रहा हूं। ग्राप बैठ जाइये ग्रीर मेरा प्वाइंट ग्राफ़ ग्रार्डर पूरा होने दीजिये।

"This morning I telephoned the AICC Office...."

Shri Randhir Singh: Under what rule is he reading out this letter?

Shri Madhu Limaye: Rule 41. ग्रापको मैं सिखाने के लिये तैयार हूं, लेकिन बाद

"This morning I telephoned the AICC Office to find out who the seniormost Congressman was in charge of the Indian Youth Congress. The girl, who answered the telephone, said, one Mr. Tiwari was the President and Mr. D'Mello was the General Secretary of the Youth Congress. When I asked who was the seniormost Congressman in charge, she said that Mr. Dinesh Singh is the sell in all of the youth organisation and I might get in touch with him for further information."

दो मंत्रियों के नाम ग्रा चुके हैं। ए०ग्राई० सी० सी० के दफ्तर में....

Mr. Speaker: You have said what you have wanted to say.

श्री मधु लिमये : दिनेश सिंह ग्रौर मोरारजी देसाई के नाम ग्रा चुके हैं। बात साफ होनी चाहिये ग्रौर जानकारी देनी चाहिये।

Mr. Speaker: There is no point of order at all.

The Deputy Prime Minister and Minister of Finance (Shri Morarji Desai): In the first instance, as far as I know, the Indian Youth Congress, which is in the AICC, has no relation to any of these things. There is a world body, called World Assembly of Youth, and it has an Indian branch here. That Indian branch is putting up an international house for youth here. There are trustees and I am the Chairman of their Board of Trustees.....(Interruption). I am telling you.

Some hon. Members: Shame, shame.

Shri Morarji Desai: Let there be shame on those who cry, "Shame, shame", without understanding anything...... (Interruptions).

Mr. Speaker: This is not the way.

Shri Morarji Desai: As soon as I read in the papers.....

Shri Jyotirmoy Basu: The Minister is selling away the country.

Shri Morarji Desai: I was not a minister then.

Shri Jyotirmoy Basu: Now you are.

Shri Morarji Desai: Yes.

Shri Jyotirmoy Basu: And you have been almost for the last 20 years.

Shri Morarji Desai: Will the hon. Members have patience and then say whatever they like?

As soon as it came to my notice, I asked the Managing Trustee if he had received any donations from different countries. I had no knowledge about it myself. He told me that he had received some donations from Germany, some from America, from some bodies in America and not from C.I.A. I asked him to find out from those bodies whether they had received money from the C.I.A. or whether they had given their own money. That correspondence is going on. I also instructed the Managing Trustee that if he finds that the money has come from C.I.A., it should be returned to them. That is what has been done. There is no question of receiving any money from C.I.A. (Interruption).

Shri S. M. Banerjee: Who is the Managing Trustee?

Shri Morarji Desai: The Managing Trustee is Shri Ram Krishan Bajaj.

#### Some hon. Members rose-

**Hr. Speaker:** The hon. Members who have tabled the Question will get priority.

Shri Surendranath Dwivedy: I want to understand the procedure. Mr. Madhu Limaye raised a point of order and it was for you to rule whether it was a point of order or not.

Mr. Speaker: I ruled that it was not a point of order.

Shri Surendranath Dwivedy: But what happened afterwards? Mr. Machu Limaye said something and Mr. Morarji Desai got up and gave a reply. The Chair did not do anything. Is it that we can get up at any moment and put questions? What is the procedure?

Mr. Speaker: It was not a point of order at all. I did say that.

Shri Surendranath Dwivedy: How did he then come into the picture?

Mr. Speaker: There was an insinuation made.

Shri Chintamani Panigrahi: May I know who were the prominent men connected with the Society for cultural freedom in India who were getting aid from C.I.A.?

Shri M. C. Chagla: I am not in a position to say that If the hon. Member gives a separate notice for that, I will answer it.

Shri H. N. Mukerjee: In view of the fact that in the diplomatic list of October. 1966, there are as many as 77 Attaches attached to the United States Embassy in India, some of whom have already been identified as C.I.A. agents, and in view also of the fact that CIA in New Delhi has its headquarters which is supposed to have direct and separate link with their headquarters in America, apart from the Embassy contact in Washington, may I know-now that the Government knows more about it-what steps are being taken to make sure that under the guise of being Attaches or anybody else or something of that description, these spies and esplonage agents do not penetrate into our country?

Shri M. C. Chagla: This is a very serious charge to make against the Embassy of a friendly country. If our attention is drawn to the fact that any officer in any diplomatic Embassy, whether it is U.S.A. or any other country is doing espionage work, we will take action. But to make a vague charge like this against the Embassy of a friendly country is a very serious matter. I hope my hon. friend realises it and he will not make such allegations.

Shri H. N. Mukerjee: You know it for a fact. That is a fact.

Shri K. K. Chatterjee: Is the Government aware that C.I.A. money is going to help certain organisations and persons inimical to the Congress? Can the hon. Minister enlighten us on this matter as to whether C.I.A. money was used by them in the last General Elections? I want to have information on that.

Shri M. C. Chagla: May I explain one thing so that it would be easier for the hon. Members to put questions. The reports that have appeared in the American press are quite clear. The procedure adopted by the C.I.A. was not directly to finance organisations in India or in other countries but to give money to certain foundations which in their turn would finance organisations which are there in other countries. Therefore, an organisation in India may, as my friend Shri Morarji Desai pointed out, innocently receive funds from a Foundation which on the face of it may be pefectly respectable, without knowing that that Foundation has been financed by the CIA. It is only now that this has come to light. Hon. Members will

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realise that even in the United States there has been a great deal of indignation at this having happened. But there may be many individuals who have been invited; there may be many organisations which may have received funds without knowing and without suspecting that the CIA had anything to do with it, the CIA was secretly financing a particular foundation and that foundation was financing some organisations.

Shri Jyotirmoy Basu: What was the CBI doing?

Shri Indrajit Gupta: It has peen reported in the papers that about ten days from now an organisation known as the International Secretariat for Volunteer Service is going to hold its annual assembly or conference in New Delhi. It is also reported that the Secretary-General of this organisation is one Mr. William Denalo, who is one of the top advisers of the US Peace Corps and a well-known CIA agent. May I know whether the hon. Minister is aware of this assembly which is going to be held here, and if SO, whether in view of the close connections of this organisation with the US Peace Corps and the CIA, Government are prepared to withhold permission for holding such a conference here, and if they are reluctant to do that, whether they will at least prevent leading Union Ministers and leading lights of the Congress Party who have been invited to participate in it, from doing so, and whether they will at least ban them from going there?

Shri M. C. Chagla: I am aware of the fact....

Some hon. Members rose-

Mr. Speaker: Let me first call dose Members whose names appear on the question list. That is the normal practice which we have been following here so far.

भी हुकम चन्द कछवाय : वीस मिनट एक ही सवाल पर सग गए हैं। 18 सवाल हैं। ये कैसे पूरे होंगे? Shri M. C. Chagin: I am aware of the fact that such a conference is going to be held within a short time. Arrangements for this conference were made some time ago. But I am not aware of the second part of the hon. Member's question, whether the Secretary-General of this organisation is admittedly a CIA agent. This is the first time that I hear about it. I did not know of this.

Shri S. M. Banerjee: From the reply of the hon. Minister it appears that this money is coming from an innocent country to an innocent orgaisation, but I am afraid that this is going to pollute innocent Congressmen also. Since the Deputy Prime Minister Shri Morarji Desai has made a very bold statement that he is connected with an organisation but he did not know that, may I know whether the other Cabinet Ministers, particularly Shri Dinesh Singh who has conveniently absented himself today....

Some hon. Members: He is present here.

Shri S. M. Banerjee: I would request hum then to make a statement. May I also know whether in view of the fact that the CIA money was floated during the general elections and they had a plan to see that 44 Members of Parliament who were supposed to be progressive on both sides of the House, were defeated with this money, there will be an inquiry into the whole affair by a Committee of this House or whether it will be referred to the CBI for further probe?

Shri M. C. Chagla: These are very serious charges without any basis. I do not know what basis the hon. Member has for saying that 44 progressive Members were sought to be defeated. One cannot make any wild charge in this House and ask the Minister cither to deny it or substantiate it...

Shri S. M Banerjee: The hon. Minister may inform the House.

Shri Jyetirmey Basu: What was the CBI doing?

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#### Some hon. Members 70se-

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Shri Khadilkar: You may look at this side also,

Mr. Speaker: Let me tell hon. Members that the two or three Members who have tabled the question must be given priority I hope all the hon. Members agree to this. After I have given chance to them, I shall look at the hon. Member's side also I know that there are a number of Members who are eager to put questions on this side also. Shri Khadilkar is not one of those three or four who have tabled the question. After I have called them I shall call the others also.

Shri S. M. Banerjee: On a point of personal explanation. The hon Minister has said that I have made these charges. I come from a place called Kanpur where there is the Indian Institute of Technology or the IIT. I have information that the CIA agents connected with it have floated money in Kanpur and other places during the elections in order to defeat these progressive Members.

Shri A. K. Gopalan: May I know whether it is a fact that one of the Second Secretaries of the US Embassy in India has been mentioned by the New York Times as CIA officer who had recently been connected with some important thing? If so, do Government propose to declare him persona non grata and demand his withdrawal from the country?

Shri M. C. Chagla: Yes, I have seen the report in the New York Times that the Second Secretary of the US Embassy here was trained as a CIA agent. We took up the matter with the Embassy. The US Embassy has categorically and emphatically denied that he was a CIA agent. We were told that he was an important member of the Embassy staff

Shri Umawath: It is reported in a section of the press that the CIA is operating on a part of PL-480 funds as well. It is also reported that in December-January, just during the very period when hectic and very intensive canvassing and electioneering was going on in this country, an unusually large amount was drawn from the PL-480 funds. May I know whether the attention of Government has been drawn to these reports, and if so, whether Government have investigated this affair to find out to which Congressmen this money went . . (Interruptions). Yes, why are you so much upset? Do you think American money is patriotic money? Why are you upset? (Interruptions).

Shri M. C. Chagla: I want to give a categorical assurance to this House that Government will not permit any foreign money coming from any source from any country to be inducted into our country either to subvert our elections or to subvert any of our organisations (Interruptions). If the hon. Member gives me specific information, I will certainly look into it. But I am not going to go by wild reports that appear in the press charging all sorts of things.

Shri S. M. Banerjee: I gave a specific instance.

Shri Khadilkar: In view of the fact that CIA as a cold war instrument was forged during the Dulles period and the fact that the objective of our foreign policy is to keep clear of the cold war, if any agency tries to intensify it within our country, will Government, after these reports that have appeared—it has been mentioned that in Cambodia even the elections were tampered with by ClA agents: it is on record-investigate the ramifications of this agency, because there are various Foundations getting money and various allegations are being made, will Government set up a sort of Commission to do so, and then counteract the activities of the CIA which are a danger to our integrity. particularly as they undermine the objectives of our foreign policy?

Shri M. C. Chagla: In view of these disclosures, I can assure the House that the Government would be very vigilant and will keep a careful watch over the moneys that come from outside and the organisations which receive those moneys.

Shri Jyotirmoy Basu: What is the CBI report?

Mr. Speaker: Shri Hem Barua.

Shrimati Tarkeshwari Sinha; We must also get a chance.

Mr. Speaker: Shri Khadilkar is a Congressman.

An hon. Member: We doubt it.

Shri Hem Barua: In the context of the fact that America has blackmailed us, ranging from devaluation to Reita Faria, is it not a fact (a) that Svetlana, Stalin's daughter. was wisked out of this country to Switzerland by CIA agents and (b) that Left Communists in our country were arrested on a large scale under the behest of the CIA? If these are facts, why is it that Government have not asked the CIA agents to pack off from this country lock, stock and barrel?

Shri M. C. Chagla; My hon friend usually puts questions according to (a) and (b). I will answer them similarly. (a) is categorically denied. I am making a statement about this matter of this daughter of Stalin tomorrow, and the House will judge for itself whether there is any basis whatever for the question put by my hon. friend. With regard to (b), it is equally false that any arrests were made or anybody was put under detention at the behest of any foreign Power, whether that foreign Power was USA or any other Power.

Shrimati Tarkeshwari Sinha: In view of the statement of the hon. Minister of External Affairs that the Government have been very vigilant and will be very vigilant about the P.L. 480 funds disbursement, may I know whether his attention was drawn to a statement made on the floor of AICC Bombay meeting by the ex-Finance Minister, Mr. T. T. Krishnamachari that nearly Rs. 43 crores of PL 480 funds have not been accounted for? Since then, did the Government see the desirability of conducting any inquiry as to where all these large sums are being spent, and can the Government give any categorical answer as to what exactly was done, since such a senior member of the Congress Party, who was in charge of the finances of this country, made this statement?

Shri M. C. Chagia: I am aware of the statement made by the ex-Finance Minister, Mr. Krishnamachari, at the AICC meeting, but hon. Members will realise that there is an agreement under the P.L 480 law under which United States have certain funds at their discretion. That does not mean that the discretion has got to be used to the prejudice of our country. But if any funds are being used to the prejudice of our country, to the prejudice of our national self-interest or national self-respect, we will certainly look into the matter.

Shrimati Tarkeshwari Sinha: What have you done so far? (Interruptions),

**Shri M. C. Chagla:** May I finish? Except the statement that amounts have not been accounted for, no specific allegation was made by Mr Krishnamachari, that moneys were used for any prejudicial purpose. If any hon Member has any information on that account, he can pass it on to me and the Finance Ministry will certainly look into jt.

Shri P. K. Deo: May I know if the Government have enquired into the allegation that the CIA had a hand in the defection of Svetlana Stalin to the free world, and if so, what is the result of the enquiry?

Shri M. C. Chagia: I have denied that allegation and if my hon. friend will only have patience, I am making a full statement tomorrow on this question.

Mr. Speaker: We have taken 35 minutes on one question. I do not mind going on for full one hour also, but I do not think that it is proper that

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one question should take 35 minutes.

Shri Dinesh Singh wants to give a personal explanation.

**Shri Dinesh Singh:** During my absence, I believe some hon. Member had mentioned in connection with the CIA that 1 had . . .

Shri Surendranath Dwivedy: What is this? Is he replying?

Mr. Speaker: Personal explanation, because his name was brought in.

**Shri Surendranath Dwivedy**: But why during the Question Hour immediately? It can be done after the Question Hour.

Mr. Speaker: In connection with the question, he is answering a point because his name was brougt in. If he is giving the House information, that should be good.

Shri Surendranath Dwivedy: He cannot intervene in between questions

**Shri T. Vishwanathan:** Questions must be answered during the Question Hour. If anybody has got a personal explanation to offer, that can be done after the Question Hour is over.

Mr. Speaker: The Members wanted him.

Shri Surendranath Dwivedy: When the question was put, the Minister was to reply. Or the person concerned should reply, but now in between he cannot make a statement. He can write to you that some allegation has been made, and that he should be allowed to make a personal explanation.

Mr. Speaker: One Member particularly pointed out that the hon. Minister was not in the House. Question No. 2.

Shri Pahadia: We must also get a chance.

Mr. Speaker: Thirty-five minutes have been taken. A number of Congressmen have also got a chance. **Shri Dinesh Singh:** Will I get an opportunity to make a statement?

Mr. Speaker: Yes, 35 minutes were taken by this question. There are many other important questions.

Shri Shashiranjan: It is not proper. You should not have given him a chance. But having given him a chance, he should not be stopped now.

Mr. Speaker: It is agreed that he will give a personal explanation after the Question Hour.

Shri Jaganath Prasad: I have been rising to put a supplementary question.

Mr. Speaker: I have called the next question. We have taken 35 minutes for this question; it is too much.

#### India's Relations with North Vietnam and Cuba

\*2. Shri S. M. Banerjee: Will, the Minister of External Affairs be pleased to state:

(a) whether it is a fact that there is a growing pressure from the U.S.A. not to have any relation<sub>5</sub> with North-Vietnam and Cuba;

(b) if so, whether this is one of the conditions for giving and to India; and

(c) the reaction of Government thereto?

The Minister of External Affairs (Shri M. C. Chagla): (a) to (c). There are provisions in the latest U.S. legislation rela mg to aid according to which the U.S. Government may not extend aid benefits to countries having trade relations which sell, furnish or permit their ships or aircraft to transport goods to or from North Vietnam or, except within certain defined limits, to Cuba.

This is the law of the United States which can only apply to United States authorities; the legislation of one country obviously cannot be binding on Governments of other countries.

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No pressure has been exerted on the Government of India by the U.S.A. not to have any relations with either Cuba or North Vietnam. We remain free to accept or not accept aid as we choose. The aid which the U.S. Government are currently willing to extend is in our national interest and its acceptance is in no way derogatory to our sovereign rights. If at any time any abridgement of our rights were threatened, our reaction would be fully in accordance with our honour and interest.

Shri S. M. Banerjee: I wish to know whether it is a fact that sometime during the negotiations, when they were going on with the United States for aid, they put any condition On our having trade relations with North Viet Nam or Cuba, and was this in addition to their own law and if so, what was the reply of the Government of India?

Shri M. C. Chagla: I am in a position to give a categorical answer to this question because I was concerned with the negotiations, At no time, at no stage was it ever suggested by those who were negotiating on behalf of the United States that we should not trade with North Viet Nam or with Cuba Nothing pertaining to this question was ever agitated between the two negotating parties

Shri S. M. Banerjee: After the barbarous attack on the people of North Viet Nam by the United States Government, in what way and to what extent have we extended help to the people of North Viet Nam, not in the matter of armaments but in the matter of increased trade with these countries?

Shri M. C Chagla: There is no trade with North Viet Nam and that is so for obvious reasons because we had apprehensions that anything that we may send to North Viet Nam may be passed on to China, and you know how friendly China is to us. With regard to Cuba we had trade in jute and that trade continues. We export

jute to Cuba and there has been nor interference with that trade.

**Prof. Samar Guha:** Is it not a fact that the Prime Minister horself admitted in a press statement perhaps in January that the United States had exerted pressure on India not to enter into any firm trade with North Vist Nam or Cuba....

The Prime Minister and Minister of Atomic Energy (Shrimati Indira Gandhi): No Sir.....

**Prof. Samar Guha:** And did not the United States say that it would not be in a position to give aid to Indua if it acted contrary to their stand?

Mr. Speaker: She has answered the question: no, Sir.

Shri M. C. Chagia: The Prime Minister, unfortunately, was not properly reported. I have got the official transcript of what the Prime Minister stated and, if the House wants it, I will read it out She spoke in Hindi and the reporters could not take it down properly.

Mr. Speaker: Question No 3 Shri Supakar,

Shri Ananda Nambiar: Let him read that statement, Sir

Mr. Speaker: It is not necessary Let us go to Question No 3.

Shri H. N. Mukerjee: We would like to put some supplementaries on Question No 2. It is a very important question

Mr. Speaker: I have called Shri Supakar.

Shri Hem Barua: May I submit that there should have been a clarification on what Shri Samar Guha has said? Did the Prime Minister make a statement like that? It is reported widely in the papers. We might have some misunderstandings or apprehensions. So, let us get a clarification.

Mr. Speaker: I have gone to Question No. 3.